

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the
Commission's Own Motion to Assess and Revise
the New Regulatory Framework for Pacific Bell
and Verizon California Incorporated

Rulemaking 01-09-001
(Filed September 6, 2001)

Order Instituting Investigation on the
Commission's Own Motion to Assess and Revise
the New Regulatory Framework for Pacific Bell
and Verizon California Incorporated.

Investigation 01-09-002
(Filed September 6, 2001)

**ADMINISTRATIVE LAW JUDGE'S RULING INVITING COMMENTS
REGARDING THE SCOPE AND SCHEDULE FOR PHASE 3**

The current scope of Phases 3A and 3B (collectively, Phase 3) consists primarily of whether to make certain specified revisions to the New Regulatory Framework (NRF) for Pacific Bell Telephone Company d/b/a/ SBC California (SBC) and Verizon California Inc. (Verizon). In April 2005, the Commission issued Order Instituting Rulemaking (OIR) 05-04-005 to develop a uniform regulatory framework for most telecommunications utilities, including SBC and Verizon. The regulatory framework adopted in R.05-04-005, if any, could replace NRF and thereby obviate the need to consider revisions to NRF in Phase 3.

In light of R.05-04-005, it may be appropriate to close the instant proceeding or, alternatively, establish a new scope and schedule for Phase 3. To this end, parties are invited to submit written comments responding to the following questions:

1. Should this proceeding be closed? Any party that advocates the closure of this proceeding should address the following:
 - a. The Commission has previously ordered that several matters be reheard in this proceeding. Is it still necessary to rehear these matters? If not, please provide a detailed explanation as to why. Any such explanation should address the following:
 - (i) The Commission ordered rehearing because of legal error. Why is this legal error no longer relevant or determinative of the need for rehearing?
 - (ii) Assuming the Commission concludes that there is no longer a need for rehearing, is this Ruling sufficient to satisfy the notice requirements of Section 1708?
2. Assuming this proceeding remains open, should the scope of Phase 3 be reduced to include only those issues listed in OIR 05-04-005, Appendix A, Item 11.G (referred to hereafter as Item 11.G)? Item 11.G is attached to this Ruling. Any party that believes matters previously included in Phase 3, but not listed in Item 11.G, should remain in a re-scoped Phase 3 should identify each such matter and explain why each of these matters should be included in a re-scoped Phase 3.
3. What should be the schedule for a re-scoped Phase 3? Any party that believes evidentiary hearings are needed should include in their proposed schedule a timeline for written testimony, discovery motions, hearings, and briefs.
4. Are there any outstanding motions that still need to be addressed? Any outstanding motions not listed may be deemed moot.
5. Does the Commission need to issue a decision to revise the scope of Phase 3? If so, why?

Parties may file and serve opening comments on June 30, 2005, and reply comments on July 15, 2005. Parties shall also email their comments to the assigned Administrative Law Judge (tim@cpuc.ca.gov) and the Assigned

Commissioner's Telecommunications Advisor (tjs@cpuc.ca.gov). The email copies shall be in Microsoft Word.

Therefore, **IT IS RULED** that:

1. Parties may file and serve comments regarding the matters identified in the body of this Ruling. Opening comments are due on June 30, 2005.

Reply Comments are due on July 15, 2005.

2. Parties shall email their comments to the assigned Administrative Law Judge (tim@cpuc.ca.gov) and the Assigned Commissioner's Telecommunications Advisor (tjs@cpuc.ca.gov). The electronic copies shall be in Microsoft Word.

Dated June 13, 2005, at San Francisco, California.

/s/ TIMOTHY KENNEY

Timothy Kenney
Administrative Law Judge

OIR 05-04-005

Appendix A

Item 11.G

List of Matters to be Addressed in R.01-09-001/I.01-09-002

11.G. The following matters will be addressed in R.01-09-001/I.01-09-002:

- i. Rehearing of the following matters granted by D.04-07-036 and D.04-12-024:
(a) The Commission's workpapers, (b) GO 133-B data for SBC and Verizon,
(c) the workpapers of SBC expert Dr. Hauser; (d) TURN's time trend regression
analyses; and (d) every SBC survey identified in OP 14 of D.04-12-024.
- ii. Whether SBC and Verizon should continue to submit the FCC Merger
Compliance Oversight Team Reports to the Commission after the FCC
requirement to submit these reports expires. (D.03-10-088, p. 165)
- iii. Whether Verizon should continue to submit the service quality monitoring
reports specified in D.00-03-021 after the requirement ends in 2004.
(D.02-10-020, OP 2.)
- iv. Issues concerning the reporting of survey data under the P.A. 02-03 and P.A.
02-04 filing categories. R.01-09-001/I.01-09-002 will focus on whether
additional unreported data exists from the period under review and how SBC
and Verizon should file survey data prospectively. (D.03-10-088, OP 10.)
- v. Whether specific changes to NRF are necessary to (a) improve the high quality
of service provided under NRF, and (b) prevent future violations of service
quality statutes, rules, and orders without making it necessary for parties to
pursue lengthy formal complaint processes. (D.03-10-088, *mimeo.*, pp. 7, 8, 87,
178, FOF 326, COL 7, and OP 7.)
- vi. Proposals to revise NRF in ways that deter utilities from (a) violating the
Commission's rules for affiliate transactions and the imputation of directory
earnings, and (b) submitting inaccurate information. (D.02-10-020, OP 16.)
- vii. Proposals to revise NRF based on (a) the results of the SBC and Verizon audits;
(b) D.04-02-063 re: SBC Audit/NRF Phase 2A; and (c) D.03-10-088 re: Service
Quality. (OIR 01-09-001 & OII 01-09-002, Appendix A, pp. A-9 and A-10;
D.04-02-063, p. 151, Col 92, and OP 16; and D.03-10-088, OP 11.)

(End of Appendix A)

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original Administrative Law Judge's Ruling Inviting Comments Regarding the Scope and Schedule for Phase 3 on all parties of record in this proceeding or their attorneys of record.

Dated June 13, 2005, at San Francisco, California.

/s/ ELIZABETH LEWIS
Elizabeth Lewis

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.